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**U.S. House of Representatives**  
**Committee on Financial Services**  
2129 Rayburn House Office Building  
Washington, DC 20515

October 7, 2005

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Mr. R. David Paulison  
Acting Director  
FEMA  
500 C Street, SW  
Washington, DC 20472

Dear Acting Director Paulison:

I am writing to seek answers to a number of questions regarding ongoing eligibility for rental housing assistance under FEMA's Transitional Housing Assistance Program.

As you know, three weeks ago, the Senate passed an amendment to fund \$3.5 billion for emergency housing vouchers for an estimated 350,000 families. Many of us in the House have also supported emergency vouchers in order to meet not just short term, but also transitional, housing needs of families displaced by Hurricane Katrina.

Almost a month after Katrina hit landfall, FEMA finally announced on September 23<sup>rd</sup> its program to provide a three month advance of rental assistance under its Transitional Housing Program. While this announcement, if adequately administered, would help address short housing term needs of families, I have serious concerns about FEMA's commitment to extending such assistance over the next 18 months to all families in need.

I am also concerned about FEMA's failure to establish clear eligibility and benefit standards for an extension of assistance under this program after the first three-month advance. Such clarity is critical to ensuring that families can plan for their future, especially with respect to a decision to move back to their local community? It is also crucial to ensure that landlords are not reluctant to rent to lower-income families, out of concern that such families may not be able to continue to make their rent payments.

Therefore, your prompt and specific responses to the following questions about these issues could play a critical role in helping Congress to evaluate whether the FEMA Transitional Housing Assistance Program will meet the housing needs of displaced families, or whether Congress will need to fund emergency vouchers to meet such needs:

1. To date, how many families has FEMA provided funds to under its Transitional Housing Assistance? Please provide an estimate of the total number of families FEMA expects to assist over the next 18 months under Transitional Housing Assistance.

2. What are FEMA's specific eligibility standards for an extension of assistance under the Transitional Housing Assistance Program for families that were renters when Katrina hit? Is the habitability of the rental unit the family lived in when Katrina hit relevant to such eligibility, either for families still living near the area, or for families that have moved away? Do a family's job status, current income, or ability to pay no more than 30% of income for rent [either for the unit they are living in or for the local Fair Market Rent (FMR)] play a role in determining eligibility?

3. Please provide the specific terms of rental assistance after the initial three month advance. Will tenant contributions be based on a family's income or ability to afford rent? Will FEMA make adjustments after the first three month period to reflect the local FMR and a family's family size? Will payments continue to be made in advance? Is so, for what period of time will each advance be made?

4. FEMA's guidebook states that families may not use rental assistance to pay for utility costs. Such a prohibition is not required by statute, which merely authorizes FEMA to provide assistance to "rent" housing. Generally, rental housing programs (including the HUD voucher program) treat utility costs as a valid component of rent, even when they are paid separately. And, apparently FEMA will reimburse state and local governments for utility costs paid on behalf of Katrina evacuees. Therefore, please explain why families may not use FEMA rental assistance to pay for utility costs.

5. Can families receiving FEMA Transitional Housing Assistance move back to their original community at any time? Can they move from one relocated area to another?

6. In a recent briefing, FEMA had indicated that families currently housed rent free, in facilities such as travel trailers, motels, hotels, shelters, and apartments rented and paid for by local governments may move at any time from such facilities and be immediately eligible for Transitional Housing Assistance. Please confirm that this is the case. Also, please indicate what efforts FEMA has undertaken to make families and housing providers aware of such eligibility?

7. What are FEMA's specific eligibility standards for an extension of assistance under the Transitional Housing Assistance Program for families that were homeowners when Katrina hit?



BARNEY FRANK